

RECORDATION NO. 73347 FILED

AUG 19 99

11-20AM

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ELIAS C. ALVORD (1942)  
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OF COUNSEL  
URBAN A. LESTER

August 19, 1999

*Kim L. Bartman*  
Mr. Vernon A. Williams  
Secretary  
Surface Transportation Board  
Washington, D.C. 20423

Dear Mr. Williams:

Enclosed for recordation pursuant to the provisions of 49 U.S.C. Section 11301(a) are two (2) copies of a Lease Schedule to Master Equipment Lease Agreement, dated August 17, 1999, a primary document as defined in the Board's Rules for the Recordation of Documents.

The names and addresses of the parties to the enclosed document are:

Lessee: LRC Credit Corp.  
704 E. Gallatin  
Livingston, Montana 59407

Lessor: First Security Bank, N.A.  
c/o First Security Leasing Company  
381 East Broadway, 2<sup>nd</sup> Floor  
Salt Lake City, Utah 84111

A description of the railroad equipment covered by the enclosed document is:

nine (9) locomotives set forth on the Lease Schedule

Mr. Vernon A. Williams  
August 19, 1999  
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Also enclosed is a check in the amount of \$26.00 payable to the order of the Surface Transportation Board covering the required recordation fee.

Kindly return stamped copies of the enclosed document to the undersigned.

Very truly yours,

A handwritten signature in black ink, appearing to read "Alvord", with a stylized flourish at the end.

Robert W. Alvord

RWA/bg  
Enclosures

First Security Bank, N.A.

REGISTRATION NO. 22347 FILED

LEASE SCHEDULE TO  
MASTER EQUIPMENT LEASE AGREEMENT

AUG 19 '99

11-20AM

This Lease Schedule to Master Equipment Lease Agreement (the "Lease Schedule") is entered into pursuant to the terms of the Master Equipment Lease Agreement (the "Agreement") between the signatories hereof dated March 12, 1999 and constitutes a separate lease (the "Lease") thereunder.

All the terms and conditions of the Agreement are hereby incorporated herein and made a part hereof as if such terms and conditions were set forth in this Lease Schedule at length and all capitalized terms not otherwise defined in this Lease Schedule shall have the meaning set out in the Agreement. By their execution and delivery of this Lease Schedule Lessor and Lessee hereby reaffirm on and as of the date hereof all the terms, conditions, agreements, representations and warranties contained in the Agreement. A copy of the signed Agreement attached to the Lease Schedule, which attachment shall adopt the copied signatures on the Agreement as of the date of the Lease Schedule, shall constitute an original lease. A copy of the Agreement and the Lease Schedule shall alone constitute the chattel paper for purposes of perfecting a security interest.

## A. Description of Equipment

Quantity	Vendor	Description	ID or Serial #	New or Used	Invoice Purchase Price
1	WELLS FARGO BANK	GENERAL ELECTRIC C30-7 LOCOMOTIVE LRC/ARN 8032	8032	Used	\$273,124.42
1	WELLS FARGO BANK	GENERAL ELECTRIC C30-7 LOCOMOTIVES LRC/ARN 8148	8148	Used	\$ 273,124.42
1	WELLS FARGO BANK	GENERAL ELECTRIC B30-7 LOCOMOTIVES LRCX/ARN 8138	8138	* Used	\$ 273,124.42
1	WELLS FARGO BANK	GENERAL ELECTRIC C30-7 LOCOMOTIVE LRC/ARN 8120	8120	Used	\$ 291,390.07
1	WELLS FARGO BANK	GENERAL ELECTRIC B30-7 LOCOMOTIVE LRCX/ARN 5491	5491	Used	\$ 118,082.97
1	WELLS FARGO BANK	GENERAL ELECTRIC B30-7 LOCOMOTIVE LRCX/ARN 5485	5485	Used	\$ 116,082.97
1	WELLS FARGO BANK	GENERAL ELECTRIC B30-7 LOCOMOTIVE LRCX/ARN 5490	5490	Used	\$94,486.55
1	FIRST SECURITY LEASING COMPANY	GENERAL ELECTRIC C30-7 LOCOMOTIVES LRC/ARN 8021	8021	Used	\$ 223,915.57
1	NORWEST BANK OF MONTANA, NA	GENERAL ELECTRIC B30-7 LOCOMOTIVES LRCX/ARN 3120 623-7	3120	Used	\$ 54,327.69
1	LRC CREDIT CORP.	To LRC CREDIT CORP. for reimbursement For refurbishments			\$484,340.92

TOTAL INVOICE PURCHASE PRICE: \$ 2,200,000.00

## B. Term. 60 months.

## C. Rental.

- Frequency : Monthly
- Advanced or Arrears: Arrears
- Rental Payment Dates: \_\_\_\_\_, \_\_\_\_\_, and on the same day of each Month with the final payment on \_\_\_\_\_, \_\_\_\_\_.
- Basic Rental in an amount equal to 0.021002 of the total invoice purchase price of all Items is payable on each Rental Payment Date.
- Interim Rental in an amount equal to N/A of the invoice purchase price for each Item for each day from and including the date of acceptance for such Item to but excluding the first Rental Payment Date will be payable on the first Rental Payment Date.

## D. Residual Value. -0- of the invoice purchase price of each item.

E. Location. The Equipment shall be located at:  
Address: 704 E. GALLATAN LIVINGSTON, MT 59407  
County: PARK  
If required, the Equipment will be registered in MT.

F. Security Deposit. Concurrently with the execution hereof Lessee shall deposit with Lessor the sum of N/A as a security deposit which Lessor may use to satisfy any unpaid late charges, recording fees or other amounts due and unpaid. Any unused portion of the deposit will be returned to Lessee without interest upon expiration or earlier termination of the Lease and upon payment of all sums then due and owing to Lessor, or Lessee may, at its option, apply the unused balance of the security deposit toward the last Rental payment.

## G. Insurance. The minimum amount of insurance to be provided by Lessee as required under the terms of the Agreement shall be as follows:

- Liability:  
\$ 2,200,000.00 each individual  
\$ 2,200,000.00 each accident  
\$ 2,200,000.00 property damage liability
- Physical Damage and Loss: \$ 2,200,000.00
- Additional riders, exclusions or special terms required by Lessor: NA.

H. Other Terms.  
N/A

First Security Bank, N.A.

LEASE SCHEDULE TO  
MASTER EQUIPMENT LEASE AGREEMENT

I. Execution of Financing Statements and Title Documents.

Lessee agrees to execute and deliver to Lessor such financing statements and/or title documents as reasonably requested by Lessor to protect and identify Lessor's interest in the Equipment. Lessee appoints Lessor, or Lessor's agents or assigns, its true and lawful attorney-in-fact to prepare, to execute and to sign the name of Lessee with the same force and effect as if signed by Lessee, and to file the same at the locations reasonably determined by Lessor.

IN WITNESS WHEREOF, Lessor and Lessee have caused this Lease Schedule to be duly executed on behalf of each of them on Aug. 17, 1999 and the signatories warrant their authority to bind principals.

LESSEE: LRC CREDIT CORP.

a(n) Montana Corporation

BY: [Signature]

TITLE: TREASURER

Address: 704 E. GALLATAN

LIVINGSTON, MT 59407

Federal ID or Social Security Number: 81-0450947

Notary Public: [Signature]

My Commission Expires on 01-20-03

Address: P.O. Box 50

LIVINGSTON, MT 59047

LESSOR: First Security Bank, N.A.

By: [Signature]

Title: Auth. Rep.

Address: c/o First Security Leasing Company  
381 East Broadway, 2nd Floor  
Salt Lake City, Utah 84111

STATE OF IDAHO )

ss.

COUNTY OF ADA )

On the 17<sup>th</sup> of August, 1999, appeared before me, Katrina Martinez, the undersigned Notary Public, personally appeared Nick Brunelle, personally known to me or proved to me on the basis of satisfactory evidence to be the signers of the within instruments, and acknowledged to me that they executed it.



My commission expires:

10/17/2003

Katrina R. Martinez  
Notary Public